

## Military Circle / Military Highway Urban Development Area PRESENTATION – Advisory Committee

June 15, 2016



# IMPLEMENTATION





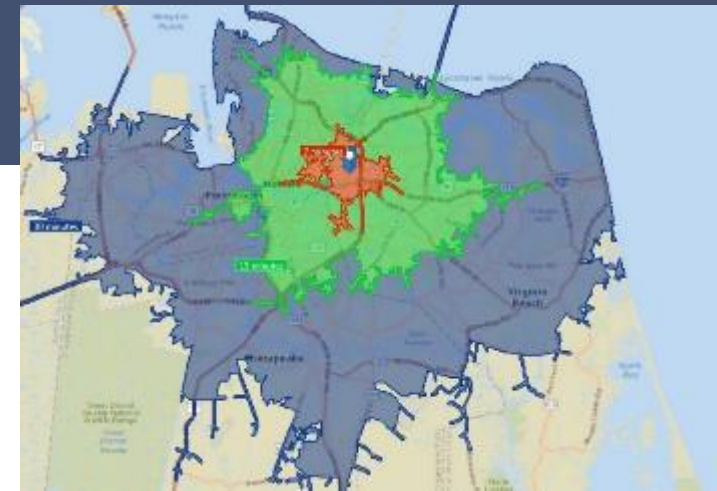
# WORK PROGRAM

12 month process:

## WHERE WE ARE IN THE PROCESS



# Local Trends & Projections



## GROWTH

500-1,000 annual net housing growth in Norfolk recently

source: City Permit data

## PROSPERITY

In the combined market area, households earning over \$75,000 per year are forecasted to go from **36% to 53%** of the total

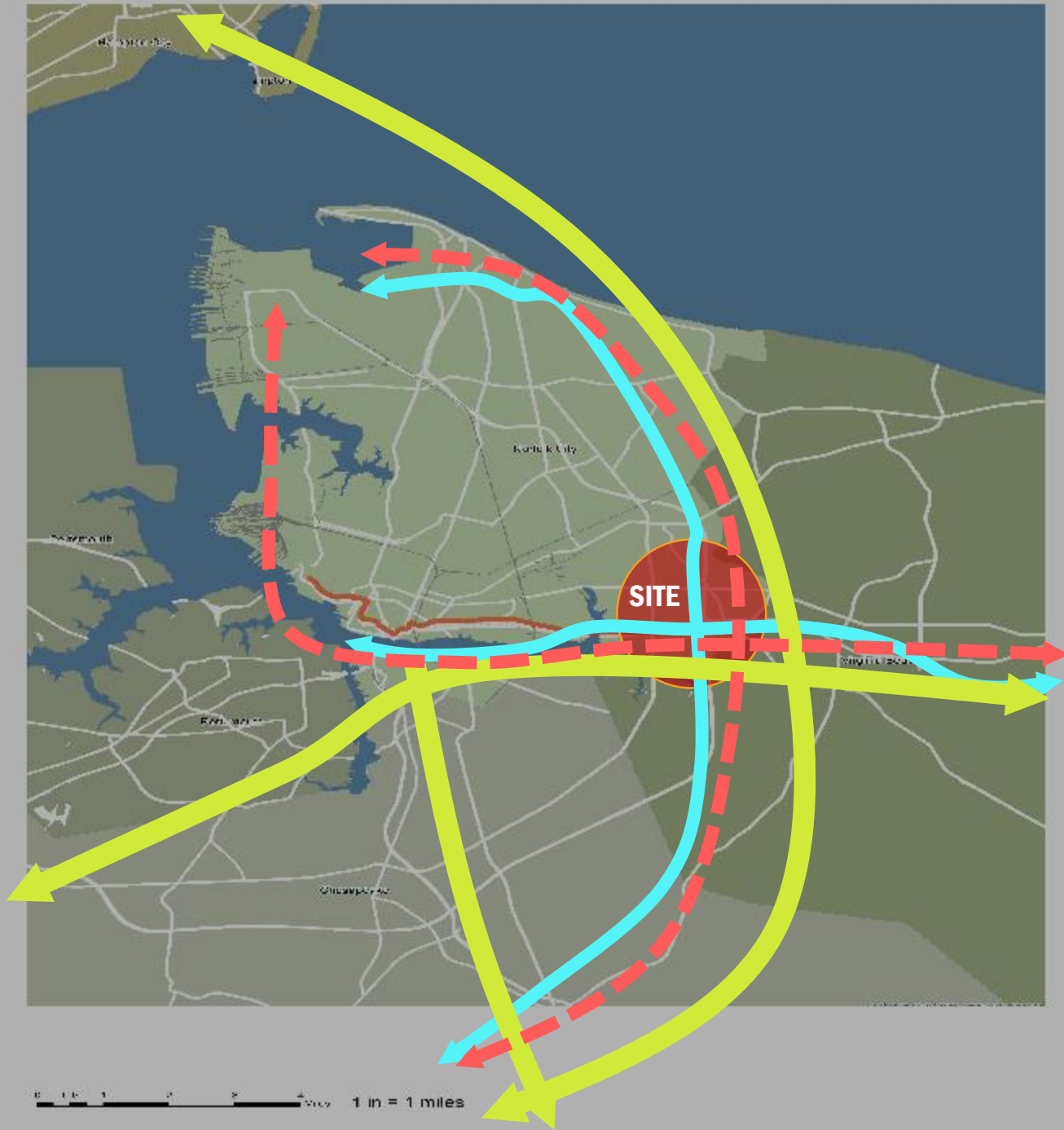
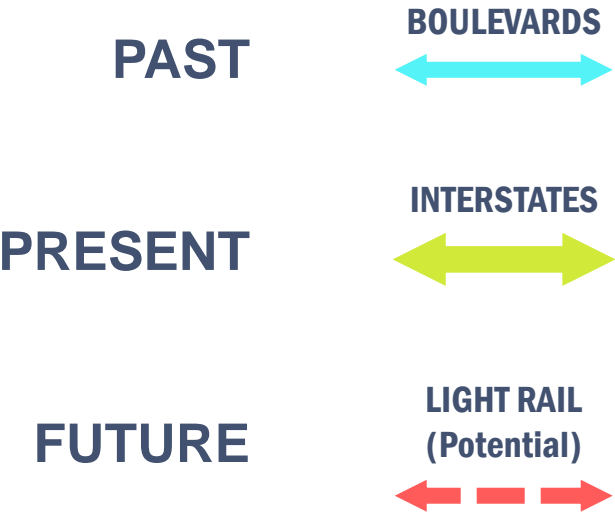
source: Woods & Poole projections

## CHANGE

Market Area becoming more **AFFLUENT** – more **FAMILIES & EMPTY NESTERS**

# REGIONAL TRAVEL MARKETS

the crossroads of  
the Region:





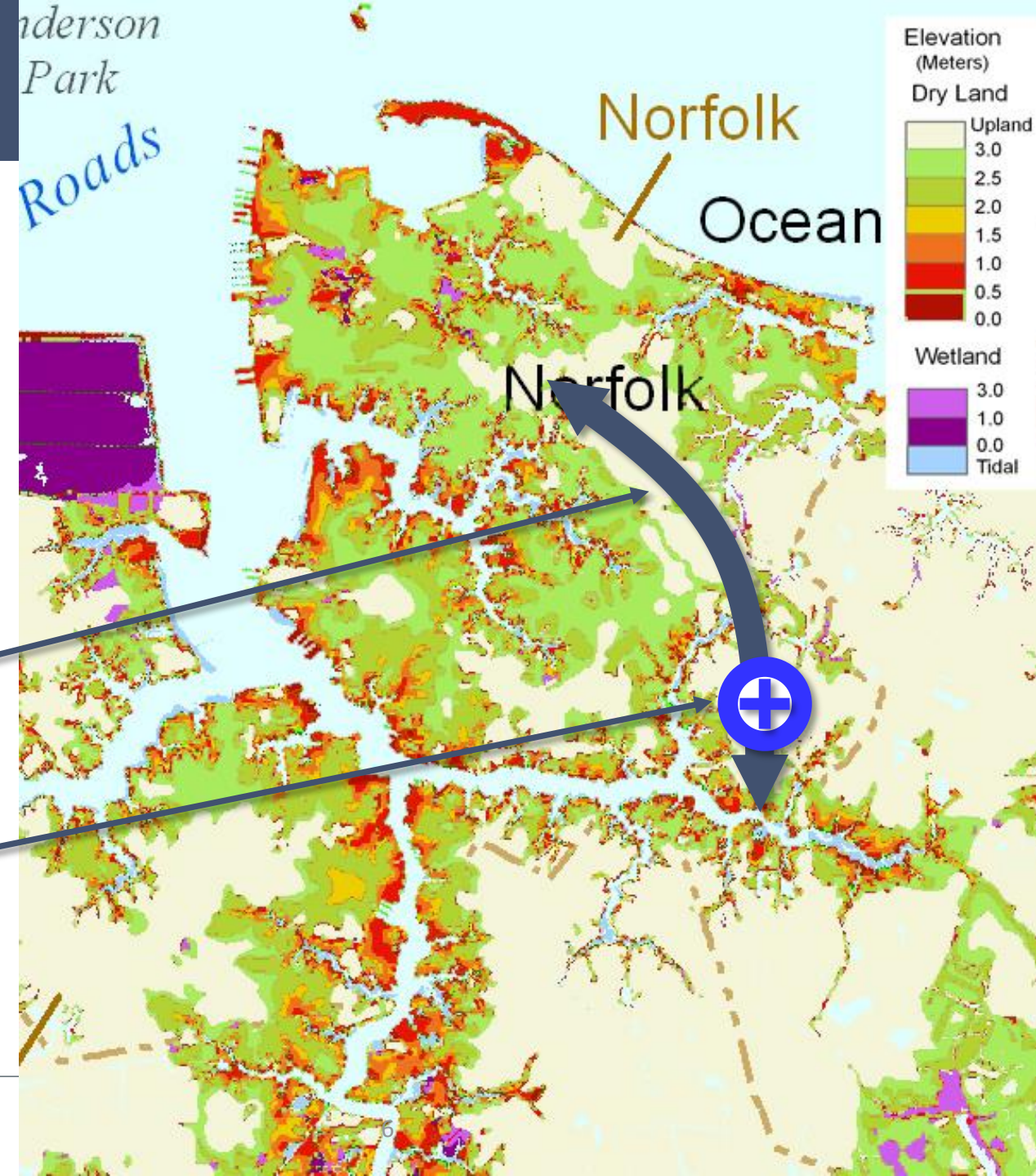
# LONG TERM RESILIENCE



SPINE OF HIGH  
GROUND

PROJECT AREA

Lighter areas on map  
projected to be safer  
from recurrent flooding





# PUBLIC INPUT

PUBLIC

ADVISORY  
COMMITTEE

STAFF

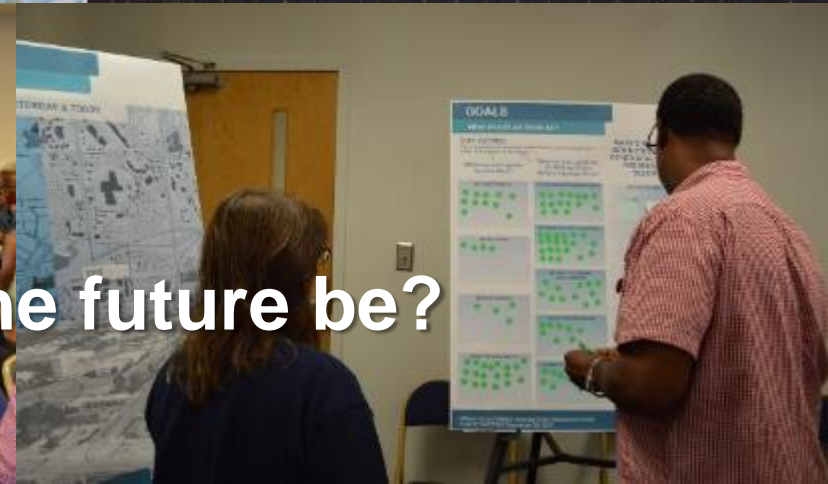
STAKEHOLDERS/  
CIVIC LEAGUES



March 1<sup>st</sup> Public Meeting – Review Draft Vision



September 28<sup>th</sup> Public Meeting – What should the future be?



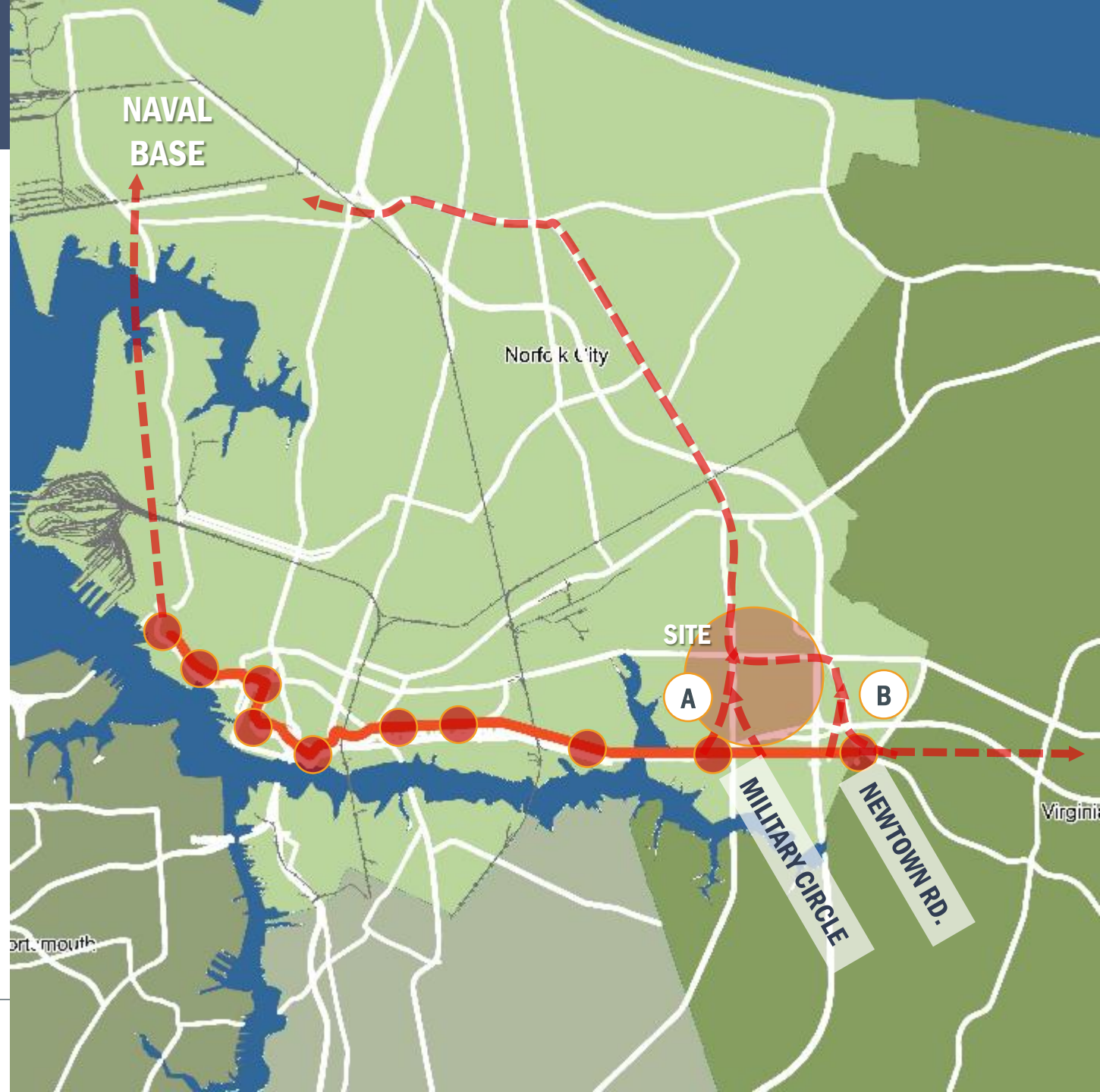


# LIGHT RAIL OPTIONS

Options from the 2015 Naval Base Study - options may include:

- A Split off at or near Curlew Dr. Station to follow Military Hwy. (6 & 7a from NSN Study)
- B Split off at or near Newtown Rd. Station to follow Kempsville Rd. (7b from NSN Study)

Source: NSN Transit Extension study – February 2015

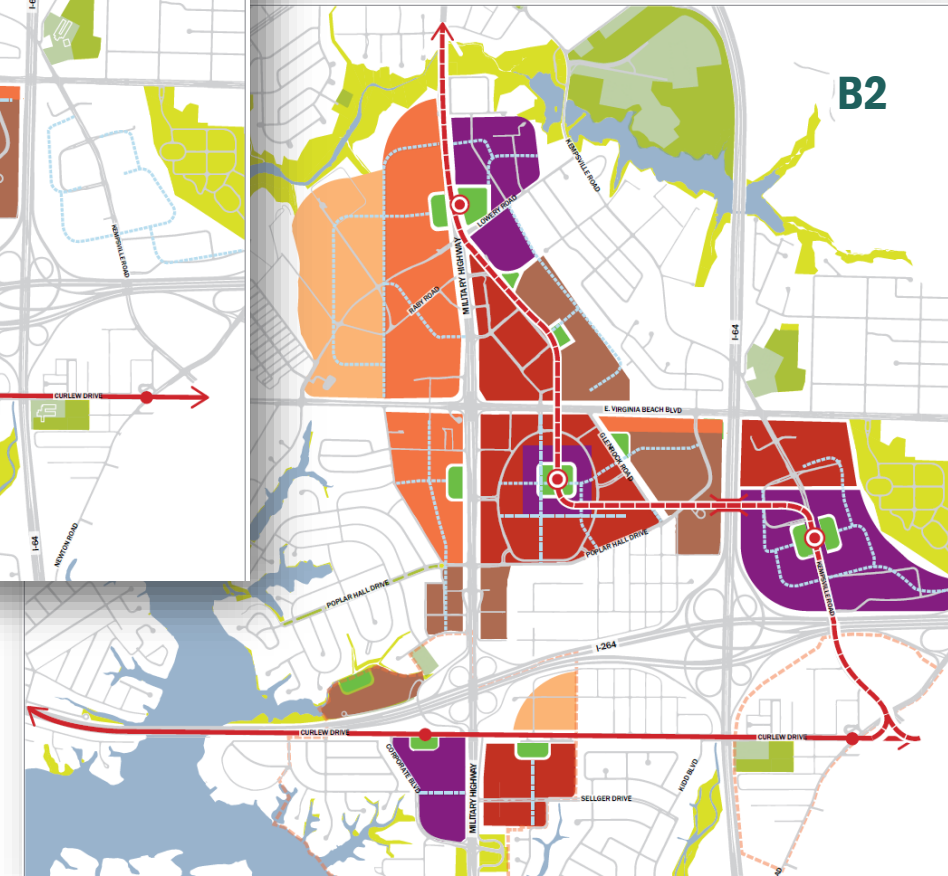
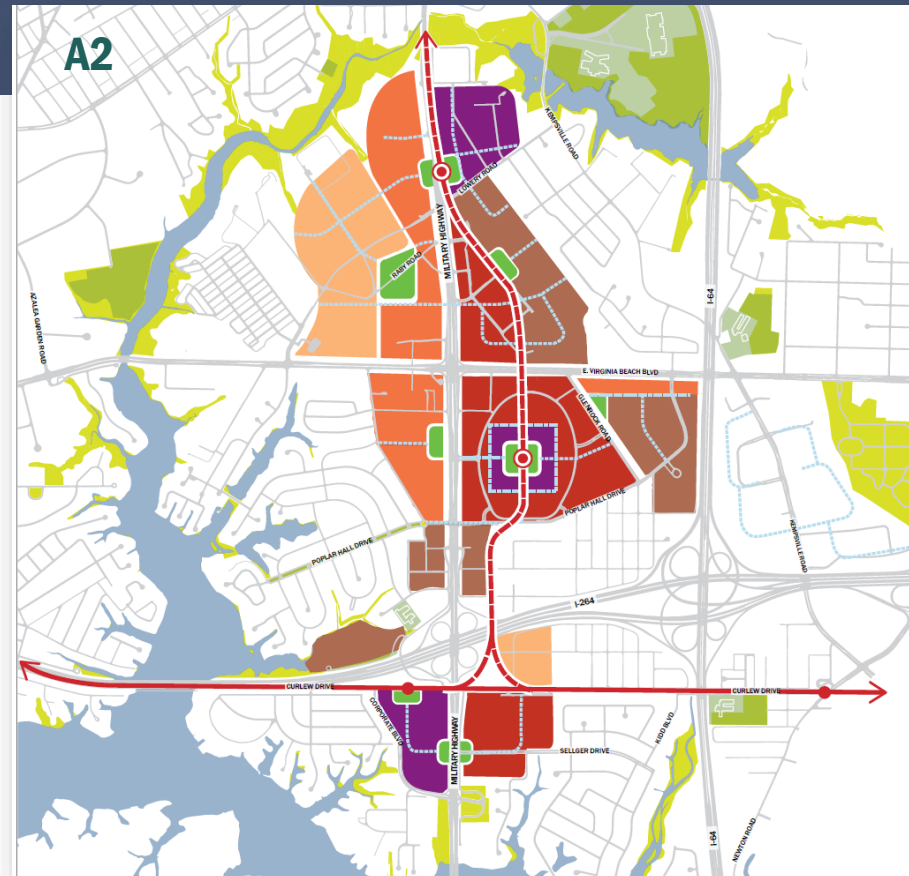




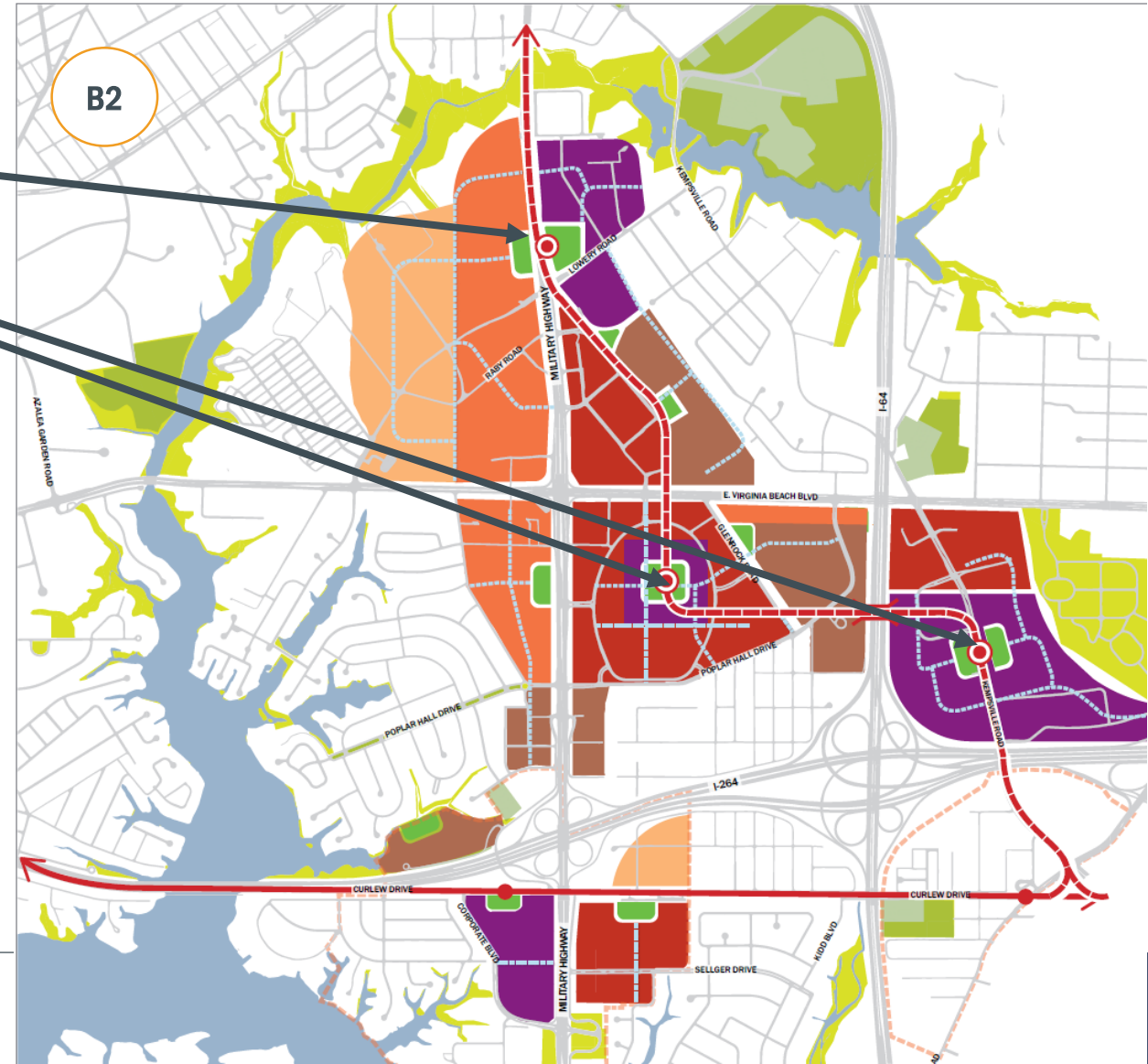
# ALTERNATIVES



Opportunity to develop new  
**TRANSIT BOULEVARD**



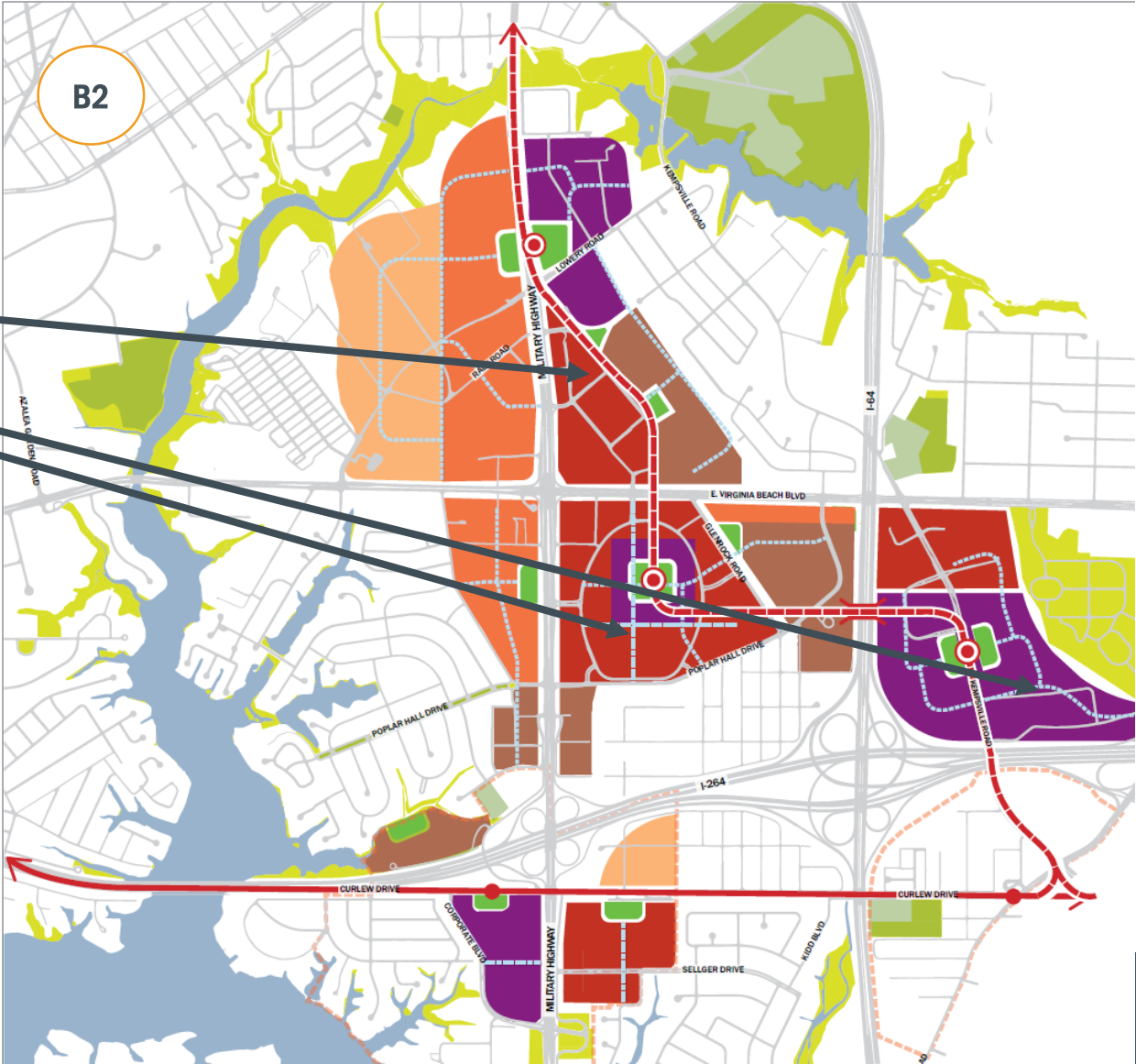
### 3 STATION AREAS





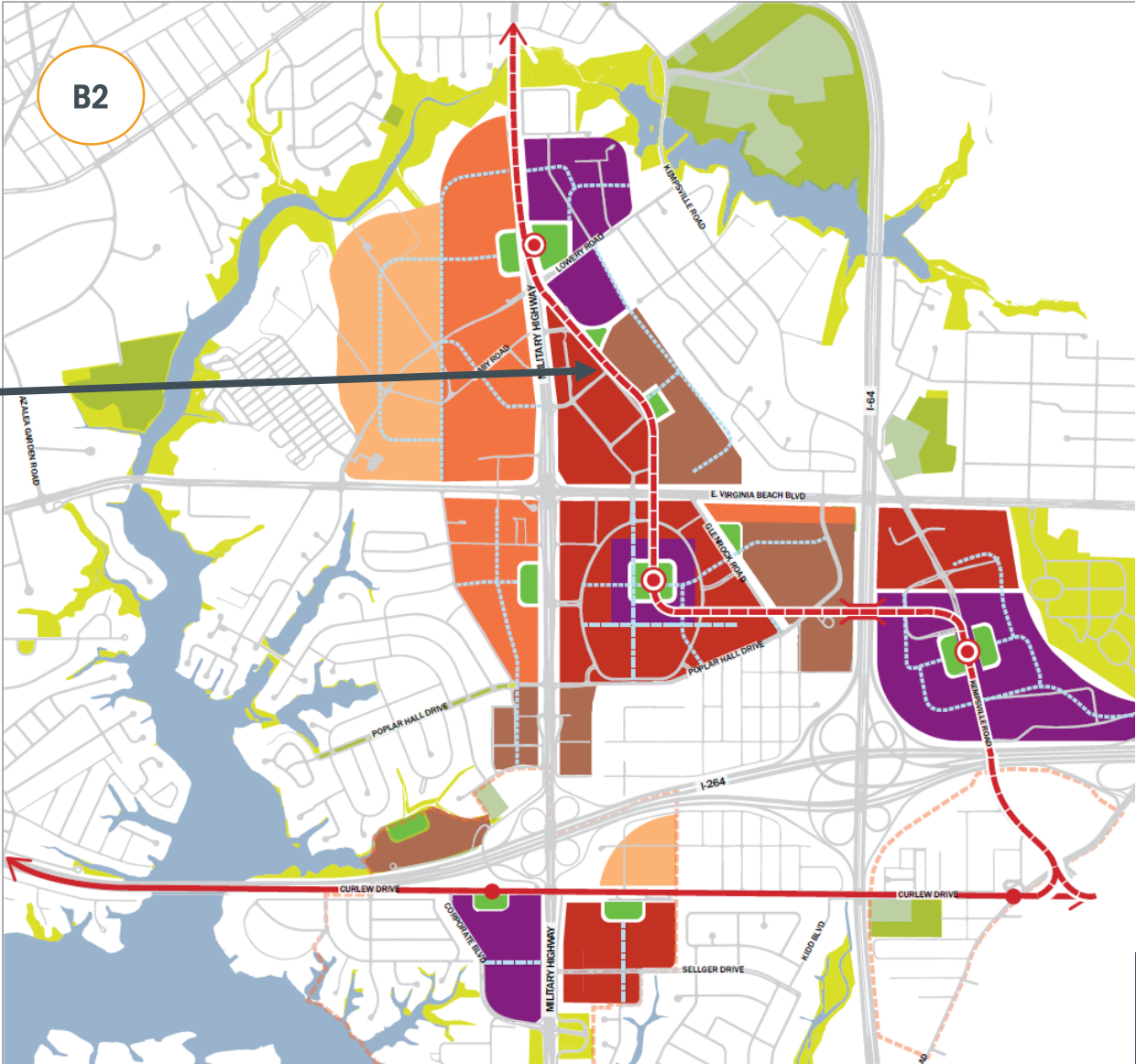
# MEETING PROJECT GOALS

- 3 STATION AREAS
- 2 RETAIL CENTERS AND HOSPITAL



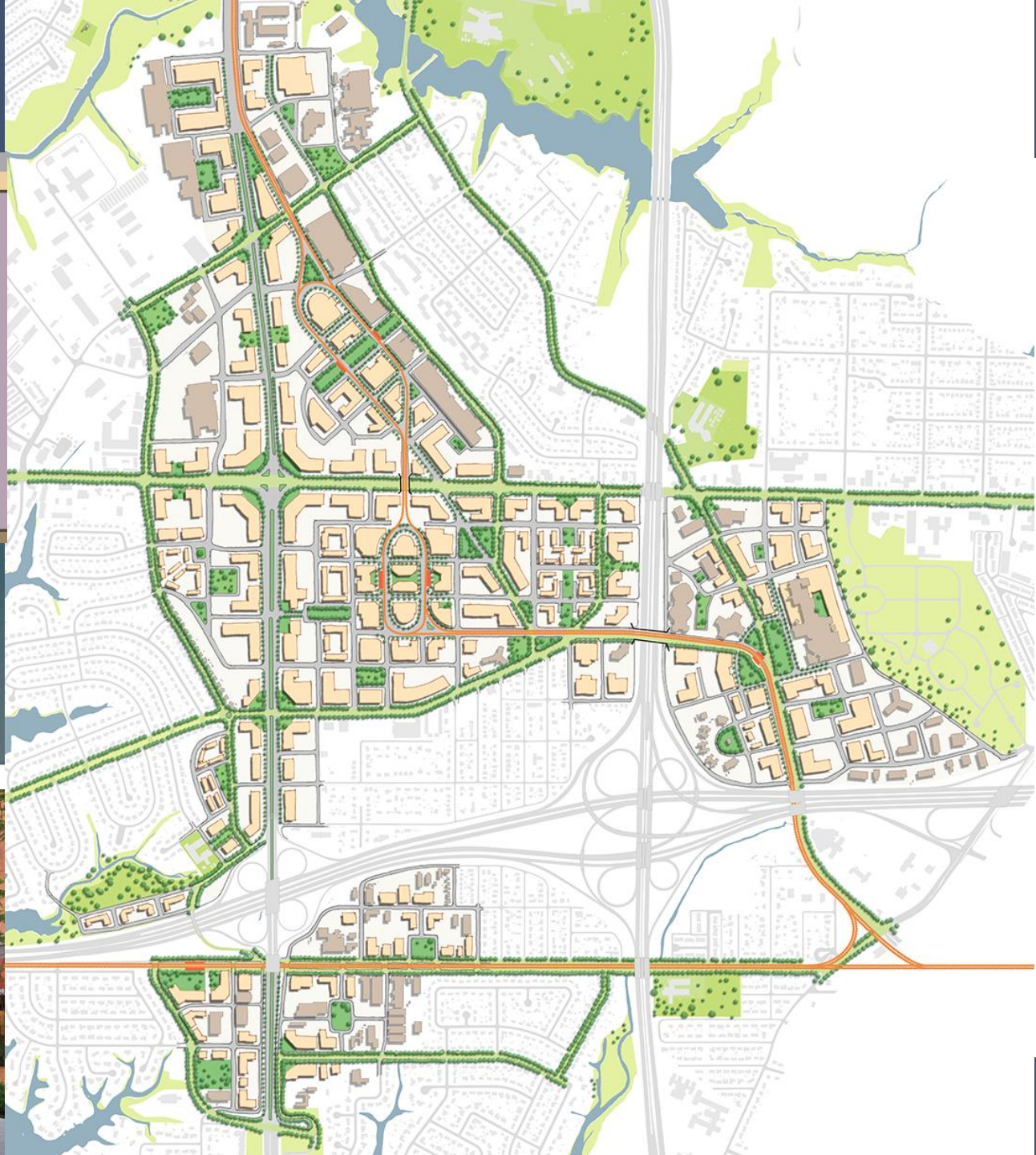
# MEETING PROJECT GOALS

- 3 STATION AREAS
- 2 RETAIL CENTERS AND HOSPITAL
- NEW TRANSIT BOULEVARD





# A 50 Year Transformation





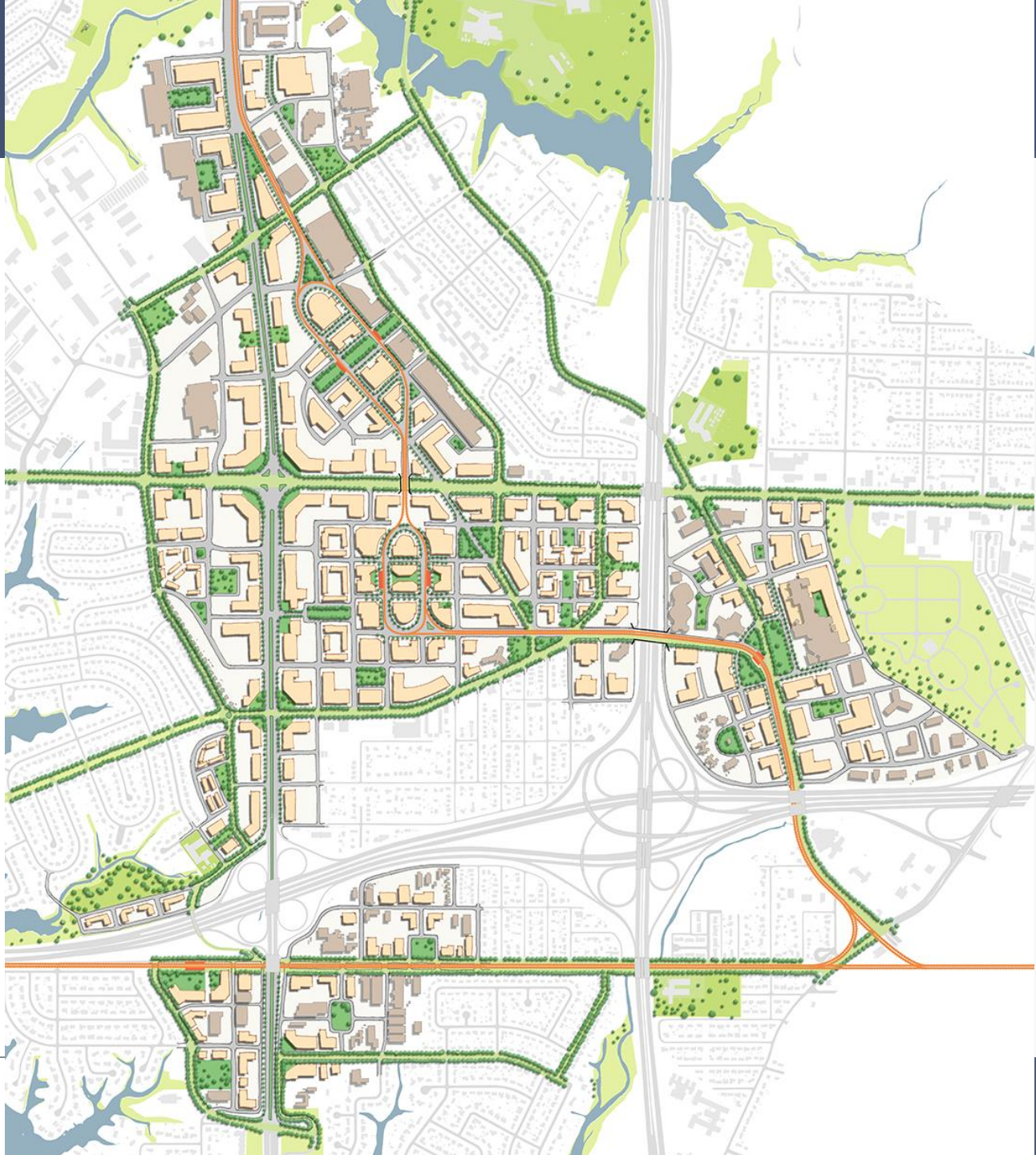
# BUILDOUT PROJECTIONS

## LOW SCENARIO

	EXISTING	FUTURE
RESIDENTIAL	463 du	3,015 du
NON-RESIDENTIAL	7.7 Mil sf	13.6 Mil sf

## HIGH SCENARIO

	EXISTING	FUTURE
RESIDENTIAL	463 du	6,226 du
NON-RESIDENTIAL	7.7 Mil sf	16.6 Mil sf





# VALUE CAPTURE

## PROCESS:

- Calculate market value of existing property in the study area from City assessments
- Calculate the market value of potential new development (High & Low Scenarios) – using comparables from City and surrounding areas
- Subtract value of new development from value of existing development - use present value for all calculations

## RESULT:

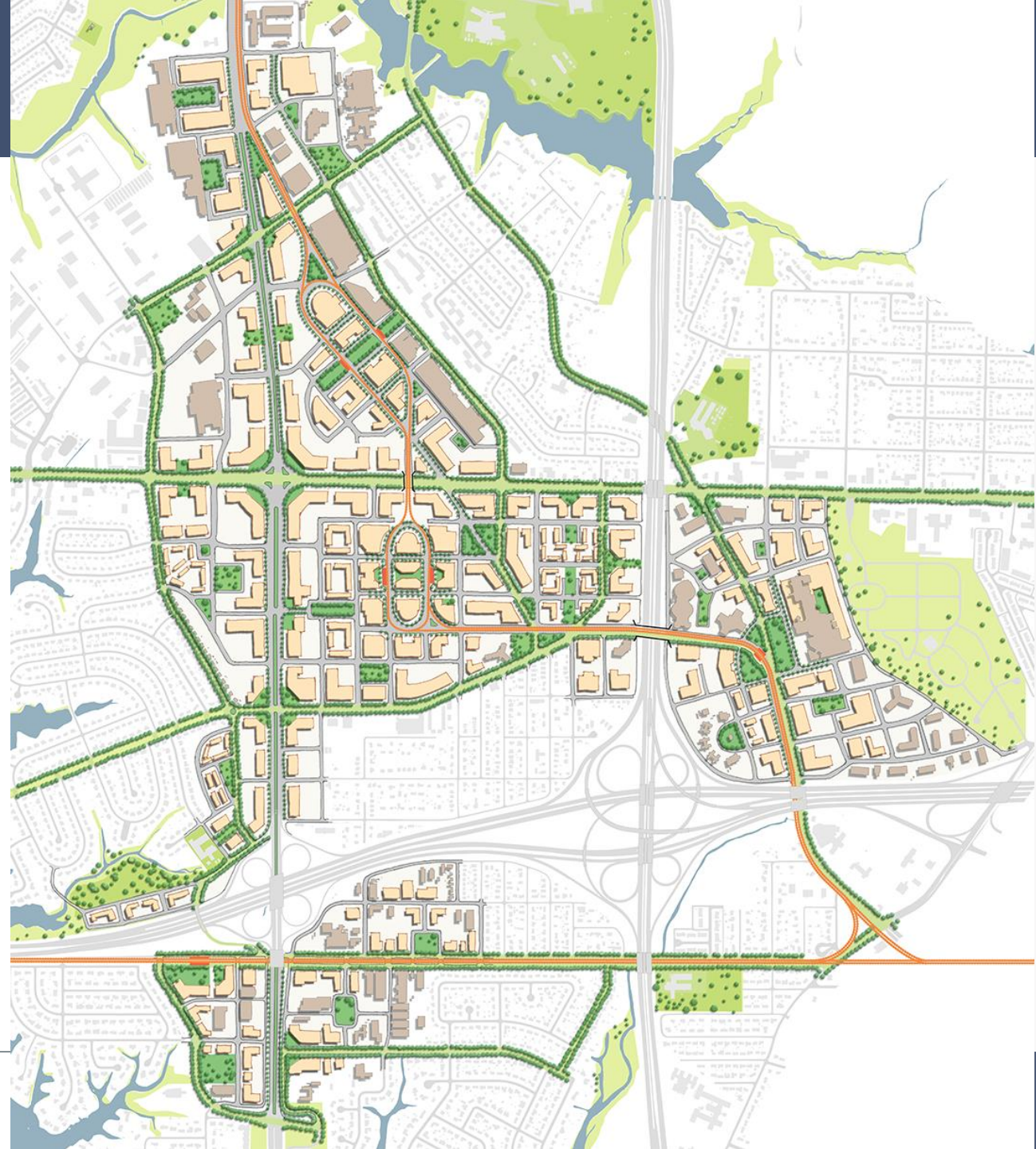
Total Value Capture from Vision Plan:

**LOW Scenario**

**\$1.26 billion**

**HIGH Scenario**

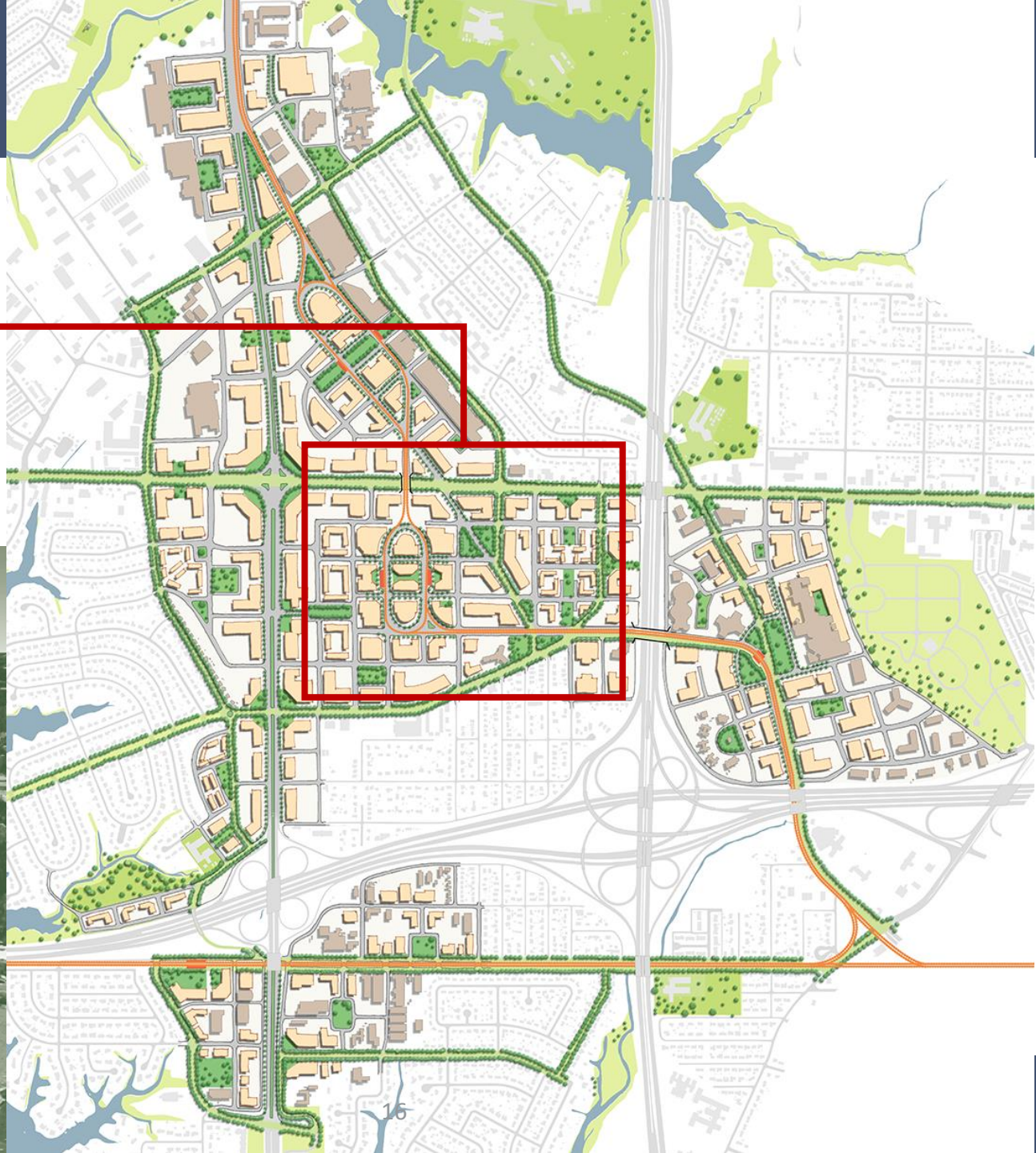
**\$2.37 billion**





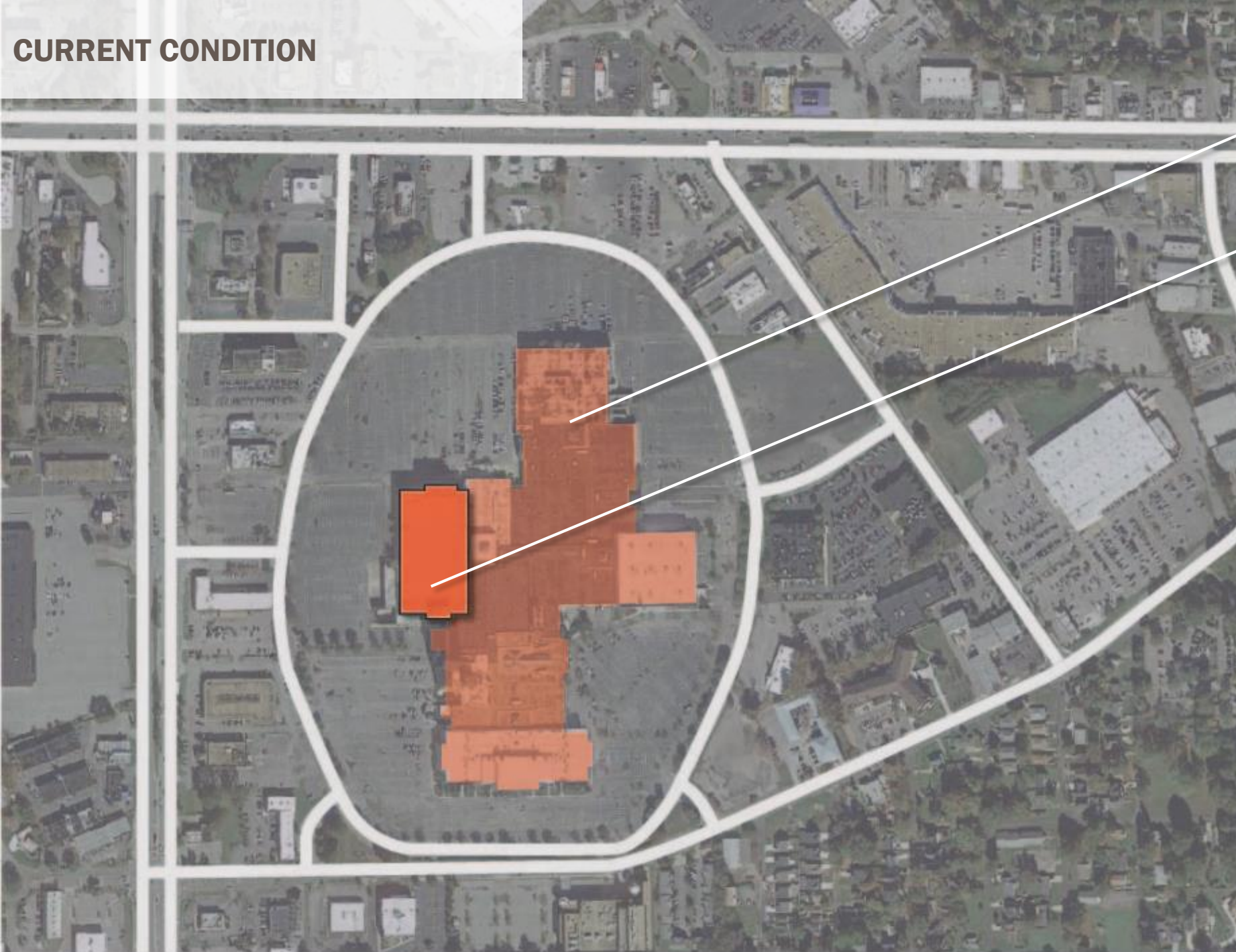
# GRADUAL IMPLEMENTATION

Military Circle Mall  
Area





**CURRENT CONDITION**

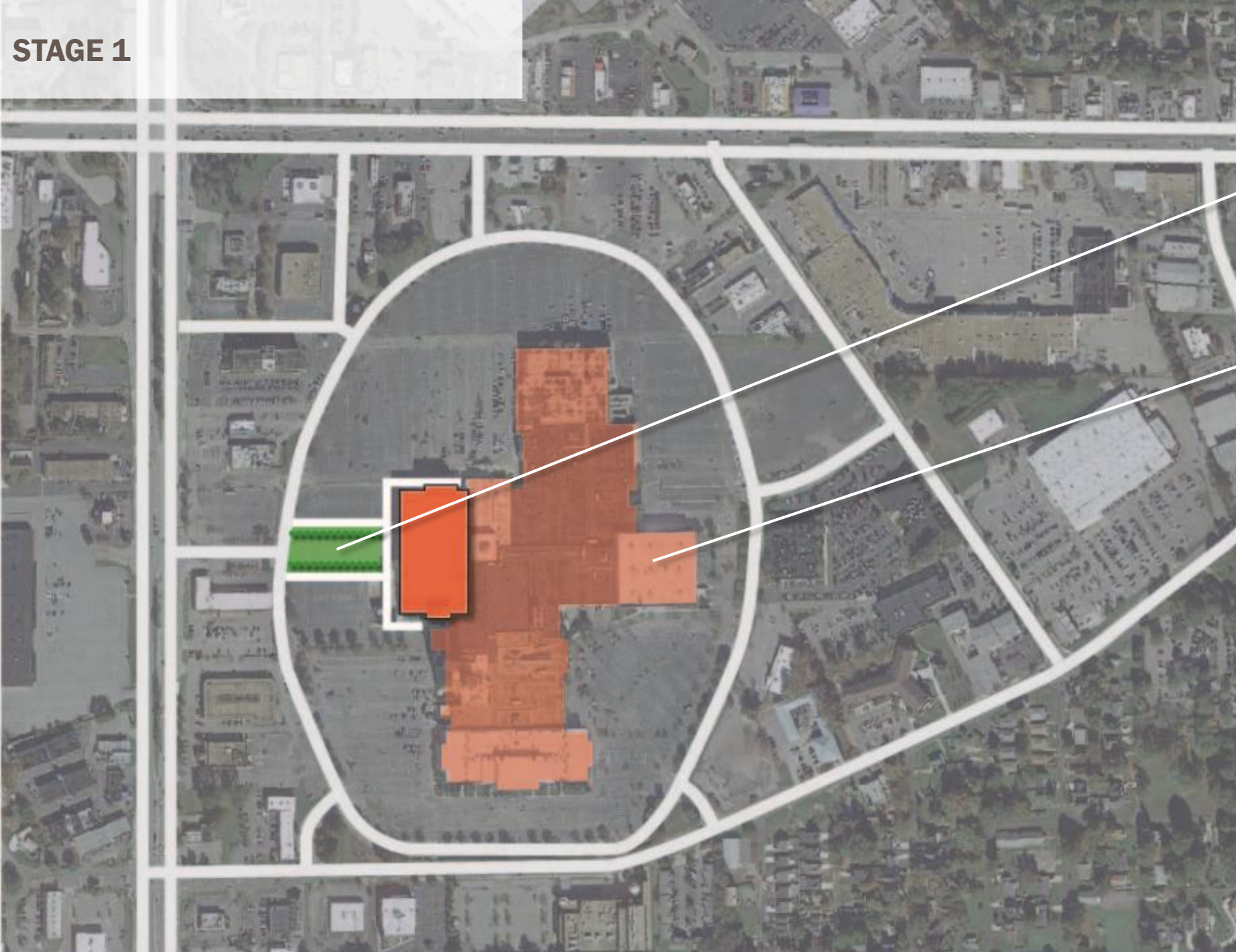


Existing Mall

Conversion of JC Penney  
store into office space



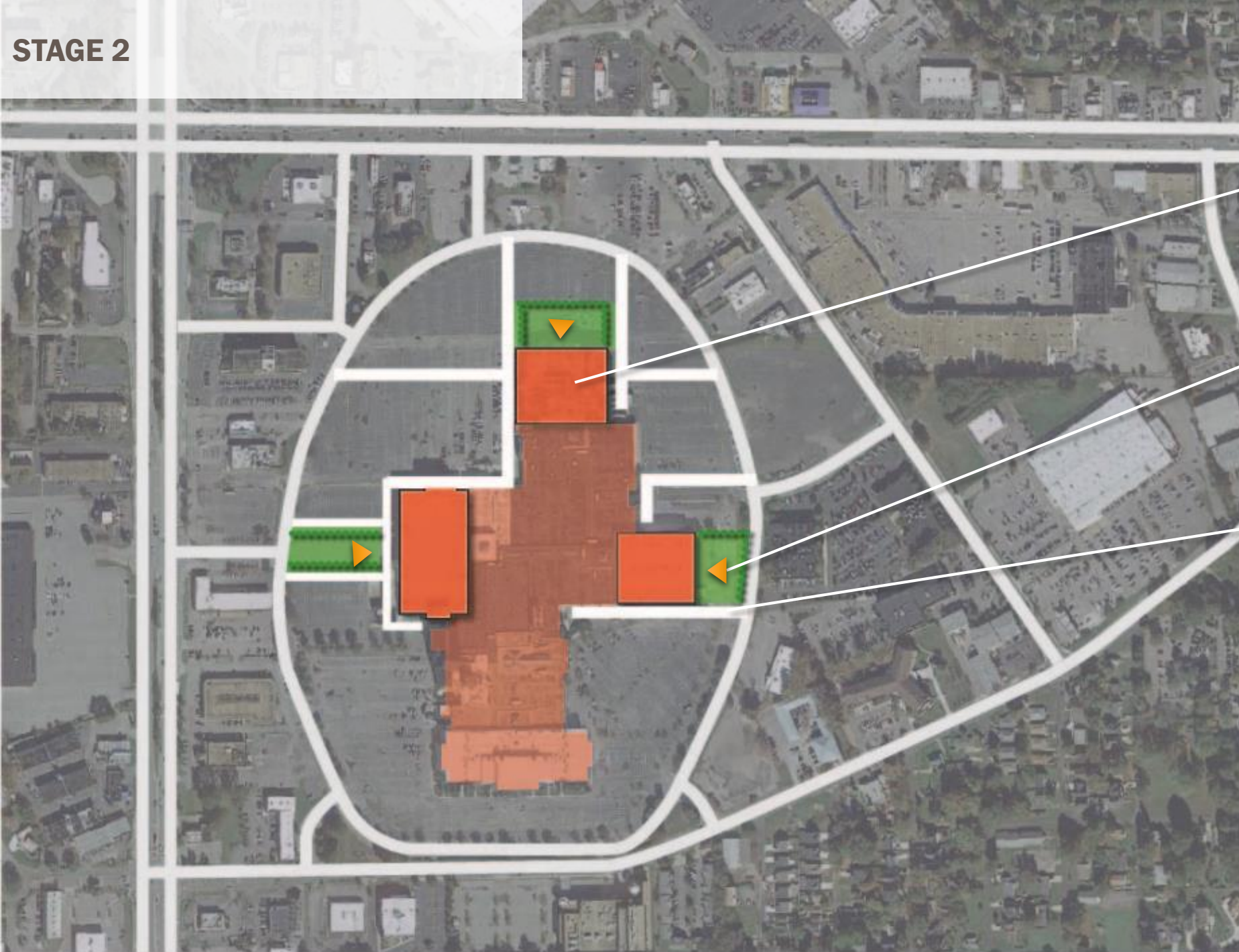
## STAGE 1



Begin to develop future road and open space system for new urban center

Work with potential developers and tenants on repurposing additional vacant space in Mall





## STAGE 2

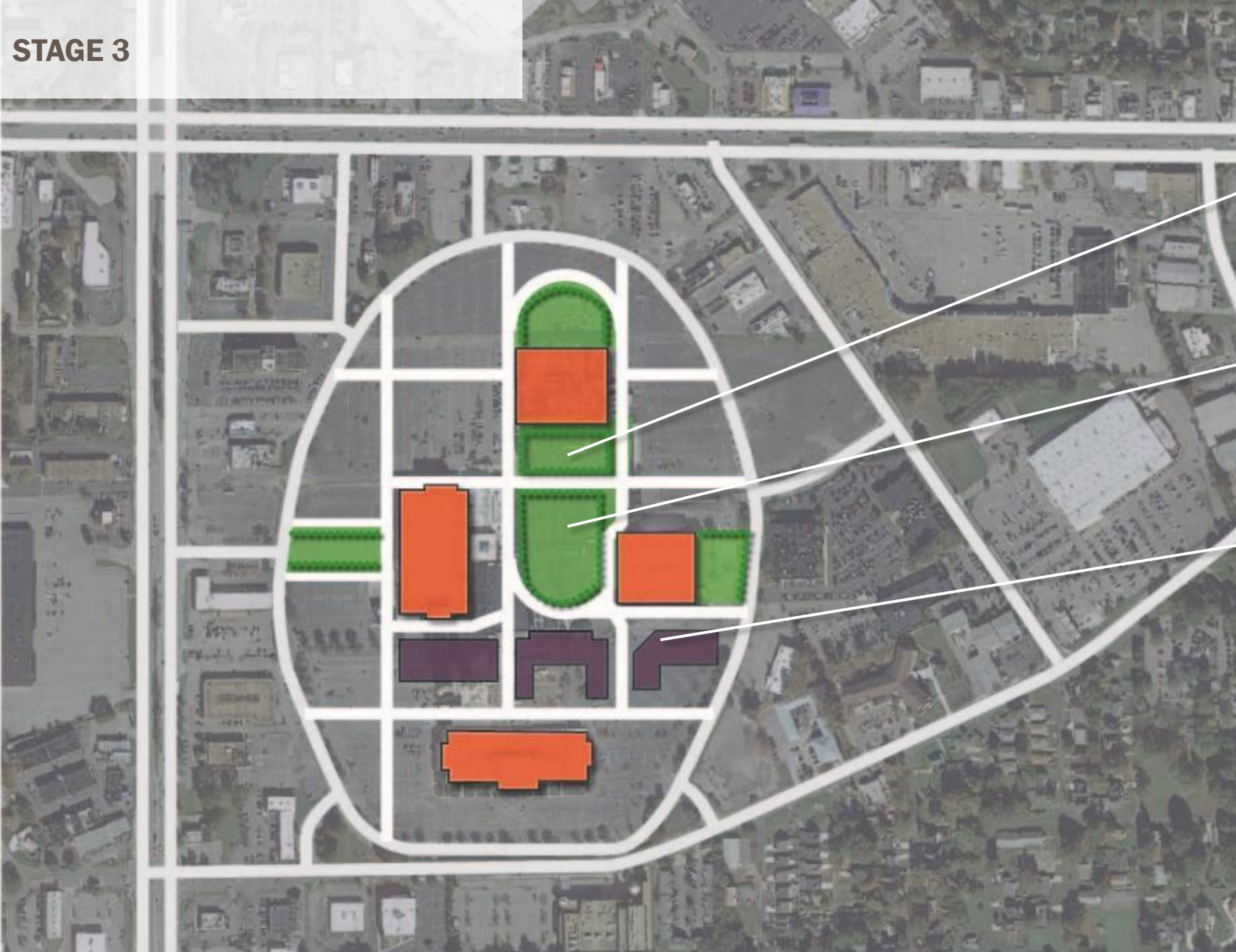
Repurpose additional Mall anchor stores as flexible office space or institutional use

Orient new entrances to outside to prepare remainder of Mall for redevelopment

Continue developing future road and open space system as space leases up



## STAGE 3



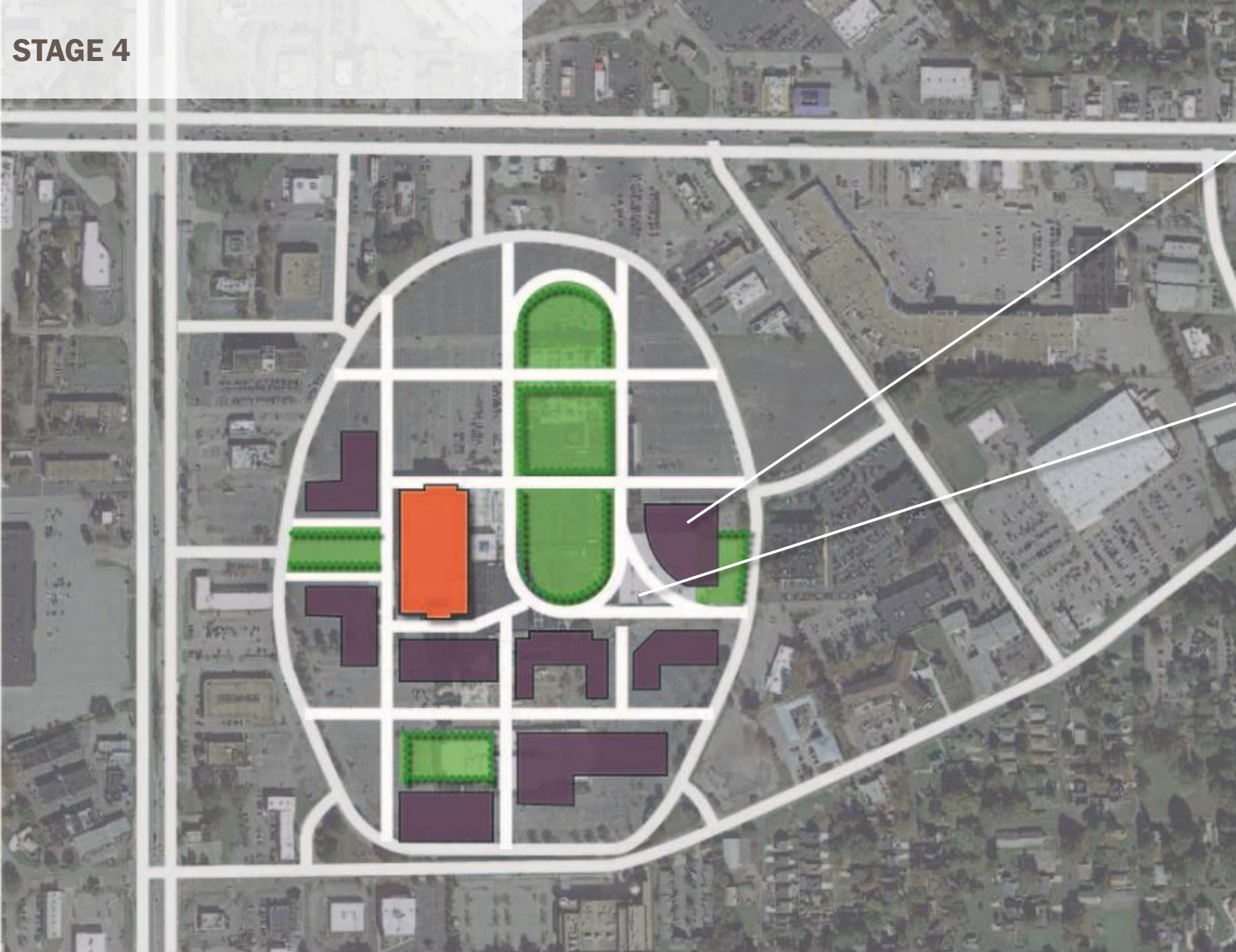
Demolition of interior of Mall and conversion to temporary open space or parking areas

Create campus of new office uses organized around future street grid

New – high density office space develops for potential transfer of existing tenants from the Mall anchor stores



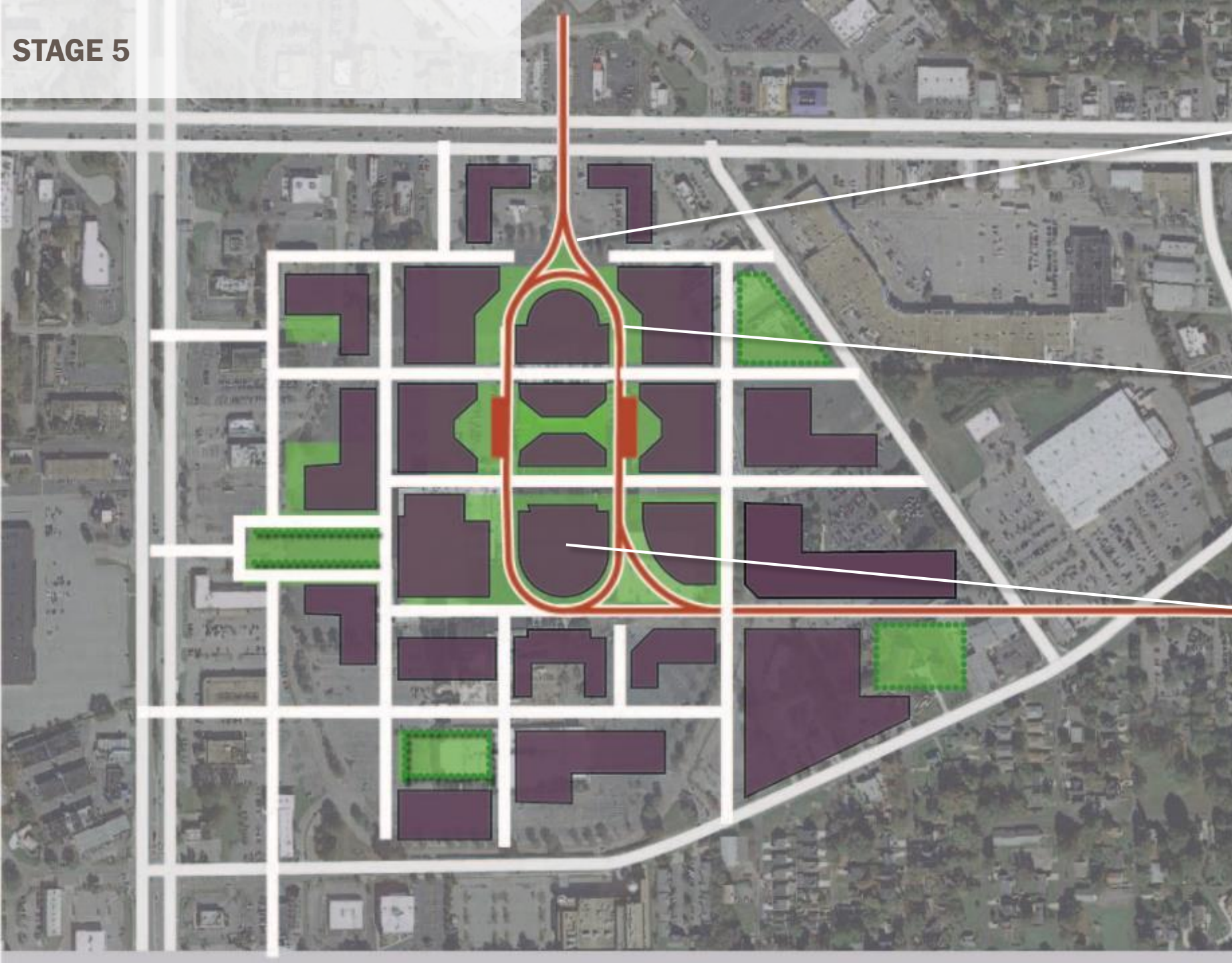
## STAGE 4



Eventual demolition of former Mall anchor stores and new development of high density mixed office and residential buildings

Right of Way preserved for future light rail in new urban street system





## STAGE 5

Light rail is built and begins to catalyze the development of new high density mixture of uses according to the Vision

Transit couplet allows slower speed walkable transit streets in the core-also allows off-peak shuttle between this area and JANAF

Final development stages are the highest density and tallest buildings around the station area – mix of residential and office towers



# Other Mall Conversions

## Google Converts the Old Mayfield Mall into 500,000 sq.ft. of Campus

9/17/2013

0 Comments



*Rendering of Google's future office campus*

Originally the property was supposed to be 200+ badly needed housing units, but I supposed with the 24/7 work culture at Google, people can just sleep in their cubicles anyways.

September 13, 2013

Google Leases Office Campus at Former Mall in Mountain View, Calif., from Rockwood, Four Corners  
*By Gail Kalinoski, Contributing Editor*

Google, Inc. is leasing 500,000 square feet – the largest lease signed so far this year in Silicon Valley – at the former Mayfield Mall in Mountain View, Calif., which is being repurposed by Rockwood Capital, L.L.C., and Four Corners Properties, L.L.C. into Class A office space.

Once the site of the first enclosed, air-conditioned shopping mall in northern California, the 27.6-acre site at 100 Mayfield Ave. is adjacent to the San Antonio Caltrain station, it's a 50-minute ride to downtown San Francisco.

It operated as a mall from 1966 to 1986 when Hewlett-Packard bought it and used it as an office campus until it later closed that site. The property had been set to become a 260-unit housing complex. When those plans fell through, Rockwood and Four Corners bought the site for \$90 million in late 2012. At that time, it was the largest sale of office



## Rackspace in San Antonio

## Revitalizing a Dead Mall (Don't Expect Shoppers)

By KATE MURPHY OCT. 30, 2012



The entrance of Rackspace's headquarters, converted from a defunct mall in San Antonio.  
*Jennifer Whitney for The New York Times*

## Google in San Francisco

# BELMAR – CASE STUDY

## Belmar: “Urbanizing” a Suburban Colorado Mall

By David Myers

July 25, 2013

Text Size: A A A

 Print  Email  Share  Facebook  LinkedIn  Twitter

Some retail owners have been able to turn their fortunes around by launching massive remodeling programs, adding new features, tweaking their tenant mix, and altering their marketing strategies. But sometimes the best choice is to simply tear down the building and start over—as in the case of Belmar, a now-thriving retail and residential development in Lakewood, Colorado.

Lakewood is a city of about 150,000 located eight miles (12.9 km) west of Denver. Before the area was incorporated, its hub was Villa Italia Mall, a 1.4 million-square-foot (130,000 sq m) enclosed regional center that was ringed by asphalt parking lots on a 104-acre (42 ha) plot of land.

- **Related:** Reinventing Inner-Ring Suburbs
- **Case Study:** Belmar in Lakewood,



*The enclosed and outdated Villa Italia Mall in Lakewood, Colorado, was demolished by Denver-based Continuum Partners and replaced with Belmar, a thriving open-air center that has 900,000 square feet of retail space, 269,000 feet of office space, public areas, and 1,300 apartments and for-sale homes. The complicated project included division of a 104-acre chunk of land into 22 city blocks, use of a U.S. Environmental Protection Agency loan to clean up contaminated soil, and the leveraging of tax incentives to install a network of solar panels and other generators of renewable energy.*

Lakewood - city of 150,000 located 9 mi. west of Denver had a failing “Villa Italia” mall.

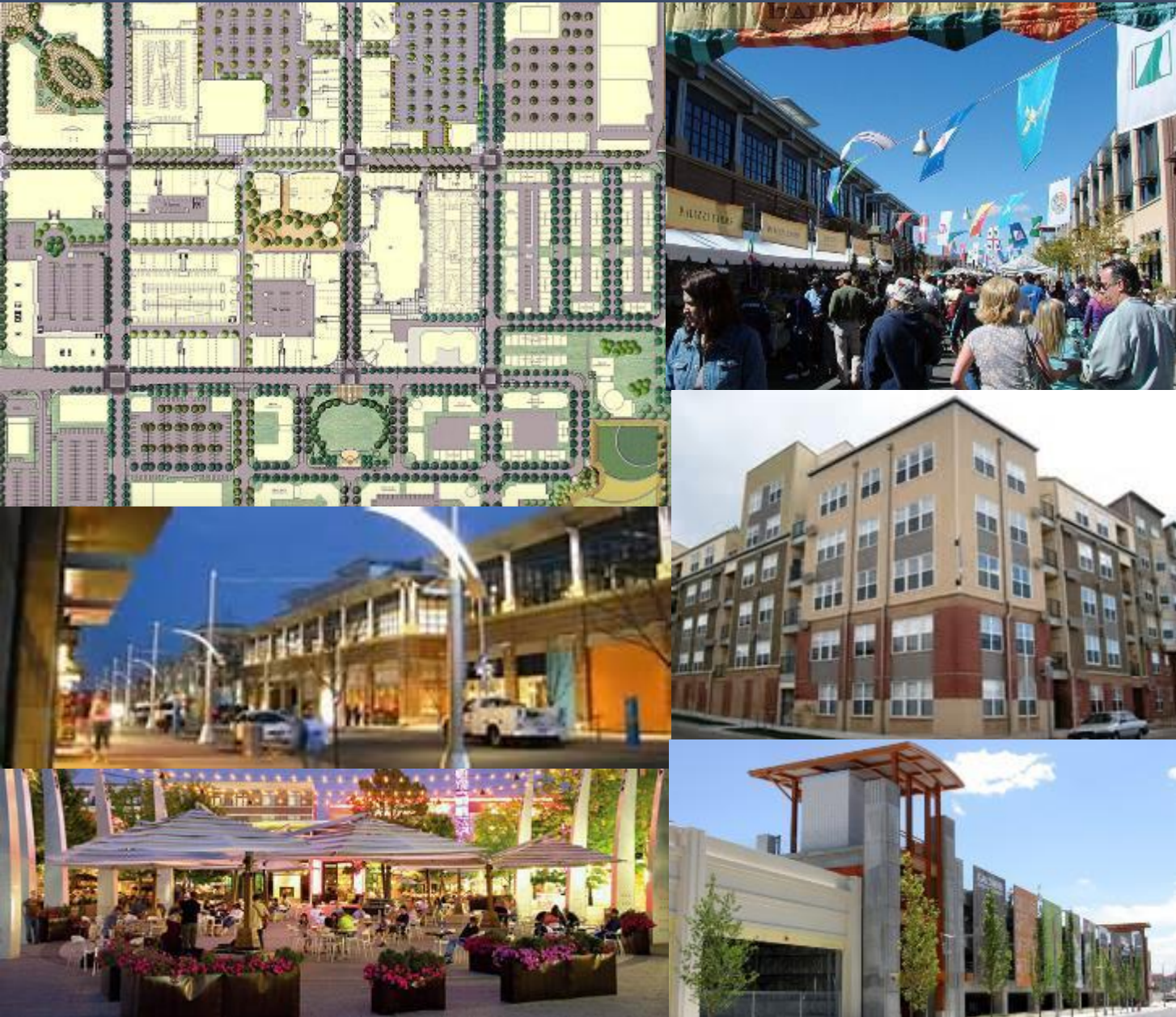
104 ac. Mall redeveloped into 22 block urban center with:

- 900,000 square feet of retail space,
- 269,000 feet of office space,
- 1,300 apartments and for-sale homes.

(PHASE 1)



# BELMAR – CASE STUDY



## DEVELOPMENT STORY:

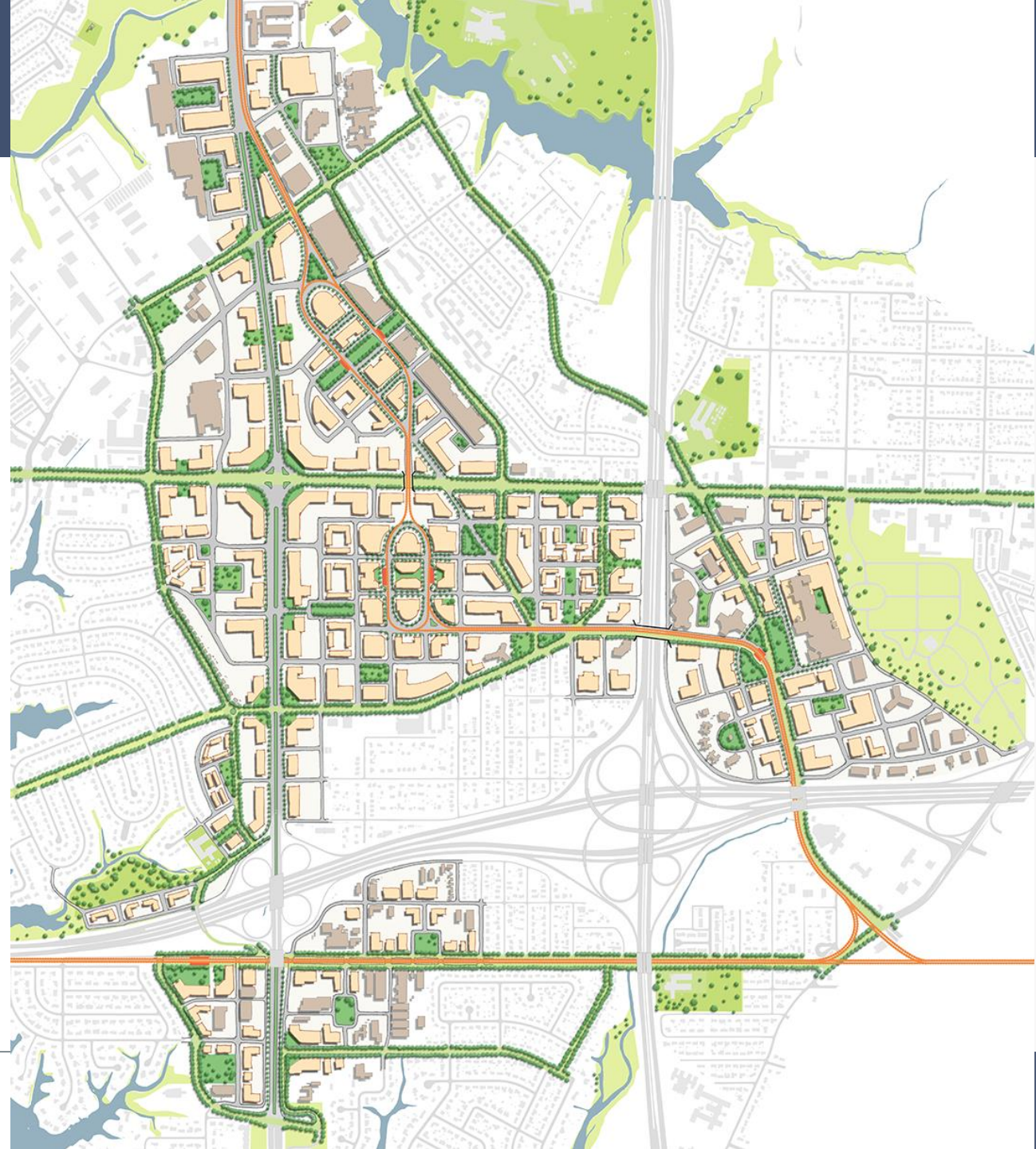
Single developer bought mall and did a master plan in 2002

- \$750 mil. Total project – phase 1 completed in 2009
- \$2 mil. Loan from EPA for site clean up
- Tax incentives for over 8,000 solar panels
- Free shuttle to light rail station 1 mile away
- Generates 4 times the tax revenue of the old mall (\$17 mil. Per year)



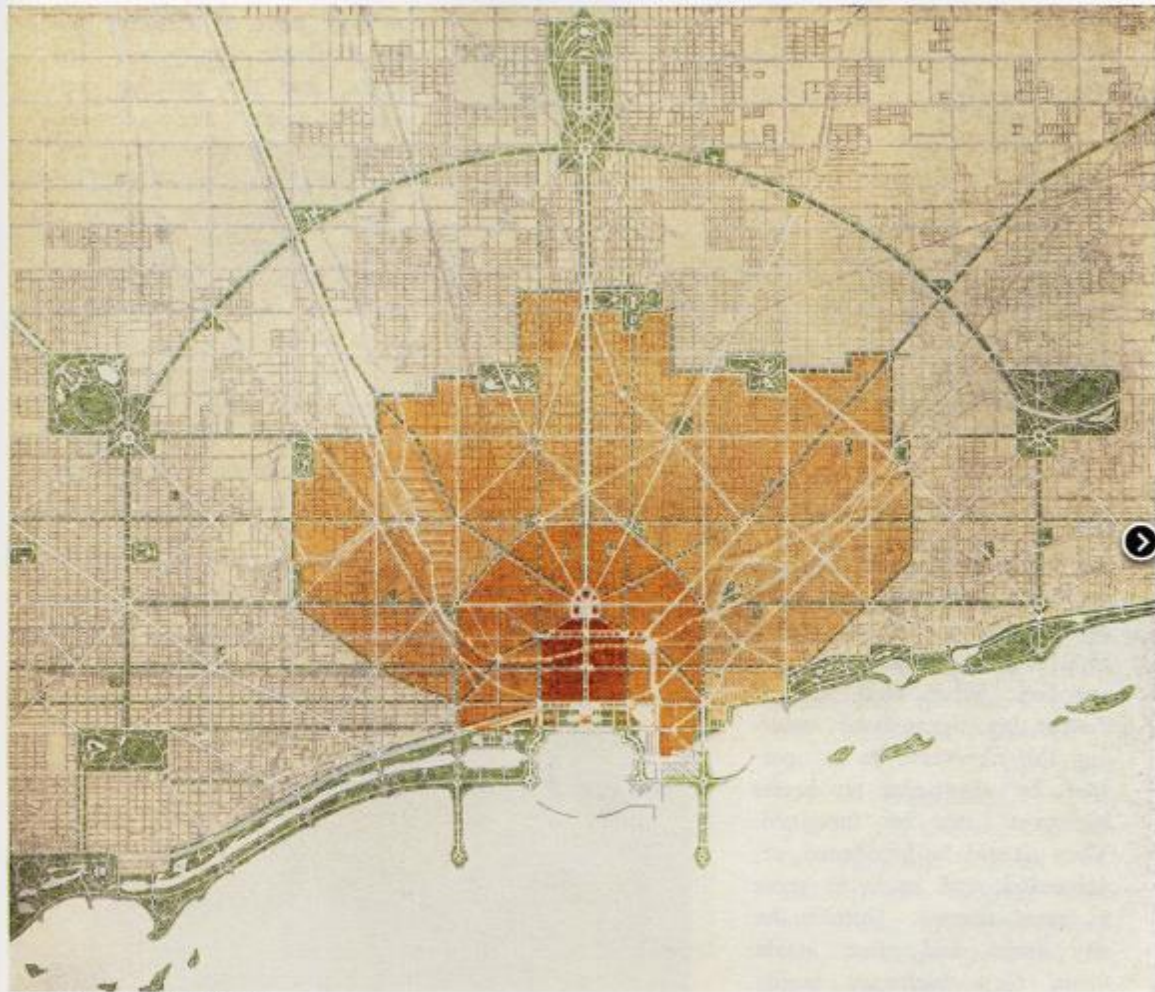
# FINAL STEPS

- **Immediate** – Work with city staff on detailed implementation plan
- **July** – Web Movie & Narrated Powerpoint
- **Summer** – Final report
- **Fall** - Adoption





## ADVICE FROM DANIEL BURNHAM:



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**CHICAGO. PLAN OF THE CITY, SHOWING THE GENERAL SYSTEM OF BOULEVARDS AND PARKS EXISTING AND PROPOSED.**

The boulevards are planned to form a continuous system of circulation; the parks are related closely to the boulevard system, and are located, wherever possible, in connection with them.

# Make no little plans

they have no magic to stir men's blood and probably themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone be a living thing, asserting itself with ever-growing insistency

